

PSJ15 Exh 74

Message

From: Spaulding, Eileen L. [Spaulding, Eileen L.]
Sent: 10/15/2010 6:36:28 PM
To: White, Heather R. [Heather.R.White@usdoj.gov]
Subject: FW: Crossroads Recovery DEA Reg# RC0270974
Attachments: ATT243589.eml (364 KB).msg; Scanned Document from 'Heather_Lane' (260 KB).msg

Heather,

This customer has placed an order today for another 48 liters of Methadose Oral Concentrate and wants the order to ship immediately. Please advise if Mallinckrodt is to release this order. A copy of the 222 form is attached for your review.

Thank you for your assistance.

Eileen L. Spaulding
Compliance Analyst
Covidien
Mallinckrodt Dosage Group
172 Railroad Avenue
Hobart, NY 13788

607 538-2196 (office)
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From: White, Heather R. [mailto:Heather.R.White@usdoj.gov]
Sent: Tuesday, September 07, 2010 10:49 AM
To: Leakey, Richard S
Cc: Spaulding, Eileen L.
Subject: FW: Crossroads Recovery DEA Reg# RC0270974

Hi Rick —

This is the information we spoke about earlier. Feel free to contact Eileen Spaulding at 607.538.2196.

Thanks,

Heather

Heather R. White, DI

Albany District Office
10 Hastings Dr
Latham, NY 12110
518.782.2021 (desk)
518.782.2068 (fax)

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From: Spaulding, Eileen L. [mailto:Eileen.Spaulding@covidien.com]

Sent: Tuesday, September 07, 2010 10:45 AM

To: White, Heather R.

Subject: Crossroads Recovery DEA Reg# RC0270974

Heather,

Attached is supporting documentation of suspicious activity we have discovered surrounding the sale of Crossroads Recovery, Inc. in Dallas, TX with the following details for your consideration:

- Controlled Substance Compliance was notified by our credit department that customer Crossroads Recovery, Dallas TX (DEA Reg# RC0270974) had an outstanding bill that was in dispute between the old owners of the NTP clinic and the new owners of clinic from February 2010.
- The clinic was sold by Diane Day and purchased by Joseph Baiamonte and Frances McGrady. The sales contract is dated February 15, 2010. Attached is a letter from the new owners with specific pages from the sales contract, it is not inclusive. Cover letter provided by the purchasers state that they did not close on the sales contract until February 19, 2010 and that they were not responsible for any fees until March 1, 2010.
- A letter was sent to Mallinckrodt on March 8, 2010 from Diane Day (attached) updating Joseph Baiamonte and Francis McGrady as being authorized to order and receive methadone, however it does not state that the clinic was sold or transferred ownership. Thus, we did not change any of our accounts as the current DEA Registration for Crossroads Recovery was in effect until August 31, 2010 and we simply thought they were updating their authorized signers list.
- Attached are also copies of 2 different 222 forms, one from February and one from March. The March invoice has been paid, the February invoice has not and was the cause for the sale to be brought to our attention. Based on the signature of the sales contract it appears that Diane Day did sign the 222 form from February 17, 2010, however it appears that someone else could have potentially signed Diane Day's name on the March 222 form with their initials after her name. Mallinckrodt continued to ship at this time as we had not been made aware of the change of ownership and 222 used to order was for the same DEA Reg# RC0270974 currently on file.
- A review of shipping records from March 1, 2010 to date, shows 4 orders have been shipped, all using the DEA Reg# RC0270974 and sequential DEA Form 222 numbers. The March order was signed with the name Diane Day and the subsequent 3 orders (May, June, August) were signed by Lillian Williams McGrady.

As part of our ongoing Suspicious Order Monitoring program, Mallinckrodt will be incorporating the requirement for any clinic to provide proof of ownership and/or sale immediately upon notification to us of the sale of a NTP clinic.

Please do not hesitate to contact me if I can provide further information or any assistance.

Regards,

Eileen L. Spaulding
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Covidien
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